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## Philippines Could Break Three Foreign Monopolies Listed by House Committee

**Commerce Body Recommends Amendment of Islands Law to Permit  
Growing Rubber on Large Scale; U. S. Pays \$100,000,000 Excess  
On Rubber; \$135,000,000 More for Coffee**

Three of the nine products listed by the House Committee on Interstate and Foreign Commerce as monopolies under the control of foreign governments may be economically and easily grown under the American flag in the Philippine Islands. Because of the Brazilian monopoly of coffee, the committee reported that the American people must pay \$135,000,000 extra a year, while Great Britain, because of her control of rubber, obtained \$100,000,000 in excess of a "fair" price on rubber during the last three months. These two products, it has been conclusively shown, can be grown in sufficient quantities in the Philippines to supply the entire needs of the United States, while silk, controlled at times by Japan, can be produced in large quantities in the archipelago.

The report of the committee, which has just been made public, recommended that an amendment be passed either by Congress or the Philippine Legislature to remove the law which now limits holdings of land by individuals or corporations to 2,500 acres, which limitation is admittedly preventing American capital from developing rubber plantations in the archipelago. The report says, "For growing rubber under the American flag, the southern Philippines appear most suitable. Physical conditions are known to be excellent."

An experiment station for the sole purpose of studying rubber culture will be established soon by the Philippine government, according to Dr. Stanton Youngberg, director of the Philippine Bureau of Agriculture. This station is expected to give a big impetus to the industry. The bureau is now distributing seedlings at cost to Filipino farmers,

hoping in this way to encourage the raising of rubber on small plantations.

### Land Law Is Bar

However, as Nicholas Roosevelt pointed out in an article in the "New York Times" on March 9, development of plantations on a large scale is hampered by Philippine politicians who fear that every dollar of American capital invested in the Islands will cement more closely the ties between the archipelago and the United States and will thus block their scheme of Philippine independence. It is thus apparent that action by Congress to amend the Jones Act, the organic law for governing the Islands, is the only method for overcoming this obstacle, since the Philippine Legislature, which is controlled by the politicians, would not open the gates to American investments.

Coffee formerly was grown profitably in the archipelago, but the industry was ruined some thirty or forty years ago by a blight. However, a blight-resistant plant has been introduced and the production is gradually increasing. The cost of planting coffee is comparatively small and the crop does not require as much land area as rubber. In this way the legal limitations on land holdings are not a handicap.

## Investigators Praise Gen. Wood's Efforts In Bettering Islands

Praise for Governor General Leonard Wood in his dealings with the Filipinos as a fair and just executive, eager to cooperate with the Filipinos for the development and government of the Islands according to the laws provided by the American Congress and as one who has the best interests of the Islands at heart, is contained in articles in the March issue of the "Atlantic Monthly" by Professor Ralston Hayden, of the University of Michigan, who spent two years as exchange professor at the University of the Philippines, and in the March 17 issue of the "Nation" by Lewis S. Gannett, an associate editor of that magazine who is now in the Orient on a tour around the world.

Examining the charges made by Filipino leaders at the time of their break with the Governor General in 1923 that many of General Wood's acts were "tyrannical, arbitrary, illegal, subversive of the best interests of the country, or all four of these things," Professor Hayden, who spent two years as exchange professor at the University of the Philippines, writes:

"General Wood's acts were neither illegal, arbitrary, nor tyrannical. Indeed, one of the most striking features of the government of the Philippines . . . was the cooperation between the Filipino members of the government and the chief executive. This cooperation resulted from two main causes. The first was the eagerness of General Wood to cooperate with the Filipino leaders in the manner contemplated by the law. Far from being

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## Investigators Praise Gen. Wood's Efforts In Bettering Islands

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overbearing or high-handed in his dealings with them, his course of action was so conciliatory that it was criticized as hopelessly weak by many local Americans, by most of the foreign colony in Manila, and by the Filipino opposition party.

### Asked Aids' Advice

"In so far as administration was concerned, it was the policy of the Governor General never to enter any department for the purpose of inspection or to intervene in its affairs. As chief executive he secured agreement in the Council of State upon the broad general policy of the government and then called upon the department heads to carry it out, leaving to each complete autonomy, subject only to the broadest supervision in order to secure adherence to the general plan. During the entire period he did not appoint a single employee or official in any department or bureau without reference to the unit involved, and in practically all cases appointments were made upon the recommendation of the department secretary or bureau chief.

"General Wood did not, of course, blindly approve all departmental recommendations. Where there was doubt in his mind he conferred with the secretary concerned and succeeded in getting the matter put into proper shape, or received an explanation which enabled him to carry out the recommendation. Needless to say, his influence was often decisive. It rested, however, upon a perfectly legitimate basis: that of the legal authority of his position, plus incessant industry, an intimate knowledge of the problems to be solved, wide administrative experience, sound, independent judgment, and strong character. Instead of sitting in Malacañang, the executive residence in Manila, or in the Mansion House at Baguio and receiving reports, the Governor General went in person wherever the work of the government was being done. Shortly before the Filipino leaders broke with him Speaker Roxas declared to the writer:

"The inspections which he has made all over the Islands have produced remarkable results in the improvement of the government service. The people and the officials feel that he knows what they are doing and that he has a personal interest in it. His approval

is eagerly sought and his disapproval is a thing to be avoided."

"Granting that the Governor General was to exercise any powers of supervision and control whatever, General Wood exercised them in an absolutely unexceptionable manner. . . .

### Americans Are Liked

"An examination of the actual relations between the Governor General and the Filipino leaders . . . leads, then, to the conclusion that the real grievance of the men who dominated that body was not that General Wood used the powers of his office arbitrarily, or harshly, or even unwisely, but that he exercised them at all."

Mr. Gannett in his article on the "Past and Future in the Philippines" says he leaves Manila "with a heightened respect for Governor Wood's quality. He knows the Islands as few men know them; he loves them; he has their interests at heart. He is an able, devoted administrator. . . ."

Speaking of the Filipinos, Mr. Gannett says, "We have not exploited these islands—although the prevailing American idea of our benevolence is a bit exaggerated. The people, in the mass, like Americans. Ride through the little banana-and-coconut villages of the interior and hear the chorus of 'Hello Americano' that sweeps from the window of one nipa-palm hut to the next if you doubt it."

During the last two sessions of the Philippine Legislature fifty-five bills out of 156 passed have been vetoed by General Wood. "Many of these were excellent vetoes," Mr. Gannett says. "Some were recommended by the acting department heads. . . . It must be said in the Governor's favor that the non-cooperation policy pursued by the Filipinos made it impossible for him to suggest amendments while bills were still under consideration, and that a flood of bills is regularly dumped on his desk after the legislature has already adjourned."

## BIG IRRIGATION PROJECT PLANNED IN PHILIPPINES

Plans for the largest irrigation project ever undertaken in the Philippines are nearing completion, and construction work is expected to begin next November. When completed, the system will supply water to 100,000 acres of land in the provinces of Pangasinan, Tarlac and Nueva Ecija, comprising nearly half of the Central Luzon plain. The water will come from the Agno River. Ten years will be required to complete the project, the cost being estimated at \$3,500,000.

## LARGE ASPHALT BEDS FOUND IN PHILIPPINES

A large deposit of excellent asphalt has been discovered near the coast of the island of Samar, Philippines, according to a report in "La Vanguardia," the largest Manila daily. At least 40,000,000 tons of the bituminous substance are available, declare engineers who have examined the site. A company is being formed to develop the property and is expected to begin operations within a few months.

This is the second large asphalt deposit discovered in recent years in the Philippines. The first was found on the island of Leyte and is now under Japanese control, having been sold to Japanese interests after vain attempts to interest American capital. William Anderson, an American, had the controlling interest in this property before the Japanese bought it.

The new asphalt tract is situated in the municipality of Borongan, within easy and close access of deep water navigable by ocean steamers.

## FOREIGN MONOPOLIES

Foreign government monopolies on products whose preponderating production lies in the country mentioned and whose consumption within that country is in small ratio to consumption in other countries, but of which the United States consumes nearly half and in some cases almost 75 per cent of the entire world's production, as reported by the House Committee on Interstate and Foreign Commerce, follow:

The Government of Great Britain, through direction of its Colonial Office to its East Indian possessions, over rubber;

The Government of the State of Sao Paulo, Brazil, over coffee;

The Government of Chili over nitrates and iodine;

The Governments of Germany and France over potash;

The Government of Egypt over long staple cotton;

The Government of Japan over camphor and at times over silk, and

The Government of Yucatan, Mexico, over sisal.

